REMARKS

The above amendments to the above-captioned application along with the following remarks are being submitted as a full and complete response to the Official Action dated November 21, 2007. In view of the above amendments and the following remarks, the Examiner is respectfully requested to give due reconsideration to this application, to indicate the allowability of the claims, and to pass this case to issue.

Status of the Claims

Claims 14-32 are under consideration in this application. Claims 1-13 are being cancelled without prejudice or disclaimer. New claims 14-32 are being added. All the amendments to the claims are supported by the specification. Applicants hereby submit that no new matter is being introduced into the application through the submission of this response.

Formality Rejection

Claims 1-9 were rejected under 35 U.S.C. §101 for claiming nonstatutory subject matter, and claims 1-4 were rejected under 35 U.S.C. §112, second paragraph, as being indefinite.

Since claims 1-9 are being cancelled without prejudice or disclaimer, the rejections become moot.

Prior Art Rejections

Under 35 U.S.C. §103 (a), the Examiner rejected: (1) claims 1-3 as being unpatentable over Yoshida (US 5,144,115) in view of Martin (US 6,304,860); (2) claim 4 over Yoshida '115 in view of Martin '860 and an Official Notice; (3) claims 5-7 and 9 over Yamauchi et al. (JP 2001-143007) in view of Martin '860; (4) claim 8 over Yamauchi '007 in view of Martin '860 and an Official Notice; (5) claims 10-12 over Yoshida '115 in view of Martin '860 and Yamauchi '007; and (6) claim 13 over Yoshida '115 in view of Martin '860, Yamauchi '007 and an Official notice. These rejections have been carefully considered, but are most respectfully traversed.

The credit settlement system of the present invention (for example, the embodiment depicted in figs. 2 & 5; [0010], [0044]-[0045], [0050] -[0051), [0060] of the corresponding US Pub. No. 2004/0128247), as recited in claim 14, comprises: a bank service provider

system 101; a credit service provider system 121; and a smart card 110. A bank account for pool 201 established by the bank service provider system is configured to receive a user's deposit 203, 512. The bank service provider system is configured to issue a token, which contains an amount of the user's deposit in the bank account for pool 201, to certify a receipt of the user's deposit and transmit the token to the smart card, and the smart card is configured to store the token 513. The credit service provider system 121 is configured to extract the token from the smart card and to update an user's financial state and credit limit stored in a financial status database 124 of the credit service provider system according to the amount of the user's deposit, when the smart card is used for a credit service 208/514.

The invention of claim 25 is directed to a credit settlement method implemented via the system of claim 14.

The credit service provider system 121 updates an user's financial state and credit limit by temporarily/immediately reflecting the amount of the user's deposit in the user's credit limit ([0060]; claims 21-22).

"The credit settlement system of the present invention enables a bank system and a credit system to be linked to each other by storing data representing information on payment received from any user in an IC card, enables the user to deposit in his or her bank account the payment for any transaction on credit, and enables the user to make a transaction on credit reflecting the payment receipt information immediately after that deposit (Abstract)".

Applicants respectively contend that the cited references and their combination do not teach or suggest such a "credit service provider system 121 configured to extract the token from the smart card and to update an user's financial state and credit limit stored in a financial status database 124 of the credit service provider system according to the amount of the user's deposit, when the smart card is used for a credit service" as the present invention.

Yoshida relates to an ATM (automatic teller machine), and does not describe any credit service provider system. As admitted by the Examiner (p. 4, 3rd paragraph of the outstanding Office Action), "Yoshida does not disclose: Transferring the money to pay for the use of credit service on the basis of a financial status in which said deposit information is reflected from said bank account to said credit service provider system."

Martin was relied upon by the Examiner to provide such a teaching. However, Martin only automates debt payment that interfaces between existing ATM networks and debt service systems. The ATM network 8 includes an ATM transaction processor 14, an ATM banking institution 16, a consumer banking institution 18, and an ACH network 20. The loan or debt servicer's bank 22 is connected with an ACH network 20 system through

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communications means 33. Thus, the loan or debt servicer's bank 22 is connected to the consumer banking institution 18 through the communication path 25 for processing "Electron Debit". Martin's credit service provider system simply does not "extract the token from the smart card and update an user's financial state and credit limit stored in a financial status database 124 of the credit service provider system according to the amount of the user's deposit, when the smart card is used for a credit service" as does the present invention.

In addition, since Martin already uses the direct communication path 25 for "Electron Debit" between the ACH network 20 and the consumer banking institution 18, it is unnecessary/redundant to adopt Yoshida's approach of depositing the information into the IC card. Therefore, one skilled in the art would not be motivated to combine Yoshida and Martin in the manner suggested by the Examiner.

Regarding Yamauchi, as admitted by the Examiner (p. 7, 2nd paragraph of the outstanding Office Action), "*Yamauchi does not disclose: receiving a transfer of payment for the use of said credit service from a bank account managed by said bank service provider system performing banking functions*". In addition, Yamauchi simply does not "extract the token from the smart card and update an user's financial state and credit limit stored in a financial status database 124 of the credit service provider system according to the amount of the user's deposit, when the smart card is used for a credit service" as does the present invention.

Yamauchi's debit card system only executes online inquiry of a customer's account balance in a real time manner ([0007], [0020], [0029]). Since the customer's credit is checked by inquiry for the balances of the bank account, it is unnecessary to manage information of the financial status database 124 separately from the user's bank account 14, as the credit service provider system 121 of the present invention.

Further, Yamauchi specially teaches away from the invention by discouraging referring to the bank account of a card holder. "*If the balance in an IC card is more than a goods price, sales transactions, such as goods in question, will be recognized without the member's store terminal 12 referring for the bank account 14 of a card holder in Step 313* ([0020])."

Applicants contend that the cited references and their combinations do not teach or suggest each and every feature of the present invention as recited in at least independent claims 14 and 25. As such, the present invention as now claimed is distinguishable and thereby allowable over the rejections raised in the Office Action. The withdrawal of the outstanding prior art rejections is in order, and is respectfully solicited.
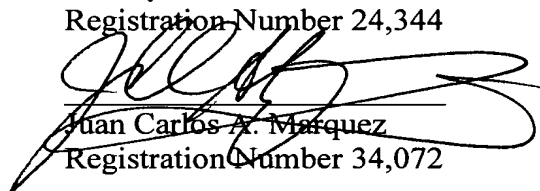
<u>Conclusion</u>

In view of all the above, clear and distinct differences as discussed exist between the present invention as now claimed and the prior art reference upon which the rejections in the Office Action rely, Applicants respectfully contend that the prior art references cannot anticipate the present invention or render the present invention obvious. Rather, the present invention as a whole is distinguishable, and thereby allowable over the prior art.

Favorable reconsideration of this application is respectfully solicited. Should there be any outstanding issues requiring discussion that would further the prosecution and allowance of the above-captioned application, the Examiner is invited to contact the Applicants' undersigned representative at the address and phone number indicated below.

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